Fairtrade Standard

for

Gold and Associated Precious Metals for Artisanal and Small Scale Mining

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Contact for comments: standards@fairtrade.net

For further information and standards downloads:
www.fairtrade.net/standards.html

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Fairtrade International

Bonner Talweg 177, 53129 Bonn, Germany

Tel. +49-228- 94.92.30, Fax: +49- 228- 242.17.13, email: info@fairtrade.net, www.fairtrade.net

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Introduction

Purpose

Fairtrade is a strategy that aims to promote sustainable development and to reduce poverty through fairer trade.

Making changes to the conventional trading system that aim to benefit small producers and workers in the South and increasing their access to markets are the main goals of Fairtrade. These actions can lead to improvements in small producers' and workers' social and economic well-being, as well as to their empowerment, and to environmental sustainability. The purpose of the Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small Scale Mining is to set the requirements that determine participation in the Fairtrade system.

This Standard is aimed at creating opportunities for artisanal and small-scale miners and their communities The overall objective of this Standard is to promote the formalization of the artisanal and small scale mining (ASM) sector through the establishment and membership of Artisanal and Small Scale mining organizations (AMSO). Thus, bringing with it improved working conditions for producers, strengthened producer organizations with the capacity to lobby for legislation and public policies that promote a responsible ASM sector, improved environmental management (including mitigating the use of mercury and ecological restoration), social security, gender equality, child protection and the elimination of child labour in mining communities, the well-being of families and children, fairer market access, benefits to local communities in mineral rich ecosystems, and improved governance to this sector.

An ASMO is constituted according to the legal, social, cultural and organizational reality of the local context. An ASMO promotes formalization and improvement of mining practices within an ASM community. An ASMO has direct (held by the ASMO) or indirect (held by miners of the ASMO) legal or contractual rights and environmental permits to mine. Where a country does not provide community-based ASM with legal status, the ASMO has all other direct or indirect legal or contractual rights and environmental permits to mine legally.

An ASMO is comprised of and/or held by legal owners, landowners, shareholders and/or members. Under the ASMO's umbrella different artisanal and small-scale miners may be operating with the ASMO's consent: among them there might be self-employed miners, family units, groups of self-employed miners, other community-based organizations like women mineral selectors, micro-enterprises belonging to the family economy, small enterprises, and similar, as well as all types of workers.

The ASMO is responsible for Fairtrade certification and has either the legal right to grant permission to miners to work under its umbrella or has been appointed by the holders of such rights to jointly represent them in all matters related to Fairtrade certification.

Fairtrade's vision for Artisanal and Small-scale Mining is aligned to the core Fairtrade values of empowering producers and local communities through trade and delivering economic, social and environmental transformation and restoration.

This Standard is not intended for mineral rush situations, nor for newcomer mining in environmentally sensitive areas, but rather seeks to act as an incentive for organization and formalization of Artisanal and Small-scale Mining (ASM).

References

When setting the Fairtrade Standards, Fairtrade International (FLO) follows certain internationally recognized standards and conventions, particularly those of the International Labour Organization (ILO).

Fairtrade International also requires that producer organizations always abide by national legislation, on the topics covered by this Standard, whenever the legislation sets higher requirements than this Standard. The same applies to regional and sector-specific practices.

This Standard adheres to the principles for responsible ASM developed by the Alliance for Responsible Mining (ARM) and all herein mentioned references, as published by ARM and included below.

How to use this Standard

This Standard is the Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small Scale Mining.

This Standard applies only to artisanal and small scale mining organizations (ASMO) in the countries in the geographical scope in Annex 3.

The Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small Scale Mining has four chapters: General Requirements, Trade, Production and Business and Development.

- The **General Requirements** chapter defines what Fairtrade understands by Artisanal and small scale mining organizations and their members.
- The **Trade** chapter defines what ASMO can do to build fair trading practises.
- The **Production** chapter defines what producers can do via production methods to better secure sustainable livelihoods.
- The **Business and Development** chapter defines the unique Fairtrade approach to development. It explains how through social organization producers can build a basis for empowerment and sustainable livelihoods.

In each chapter and section of the Standard you will find:

- The **intent and scope** which introduces and describes the objective and defines the scope of application of that chapter or section;
- The **requirements** which specify the rules to adhere to. You will be audited according to these requirements; and
- The **guidance** that will help you to interpret the requirements. The guidance can provide you with best practices, suggestions and examples of how to comply with the requirement. It can also give you further explanation on the requirement with the rationale and/or intention behind the requirement. You will not be audited against guidance.

In this Standard you will find two different types of requirements:

- **Core requirements** which reflect Fairtrade principles and must be complied with. These are indicated with the term 'Core' found in the column on the left throughout the Standard.
- **Development requirements** which refer to the continuous improvements that certified organizations must make on average against a scoring system (also defining the minimum average thresholds) defined by the certification body. These are indicated with the term 'Dev' found in the column on the left throughout the Standard.

You are in compliance with the Fairtrade Standard for Gold and Associated Precious Metals for Artisanal and Small Scale mining if you fulfil all core requirements **and** reach the minimum score on the development requirements as defined by the certification body. For more information on how you will be audited against the core and development requirements please see the certification body's website.

Each requirement is assigned a number (0, 1, 3 or 6). This number represents the number of years you have until you are audited against the requirement. Note that some requirements may not apply

to you. For example, if you and the members of your organization do not hire workers, then you will not be audited against requirements related to workers. Or, for example, if you and the members of your organization do not use any pesticides, then you will not be audited against requirements related to pesticides. In such cases, the certification body will consider these requirements as non-applicable.

In this Standard 'you' refers to the certified **Artisanal and Small-scale Mining Organization** (ASMO). as the responsible party for fulfilling the requirement. When requirements apply directly to the members of the ASMO organization this is explicitly indicated in this document.

Implementation

The certification body develops technical compliance criteria to be used during audits and for making certification decisions. These compliance criteria follow the wording and objectives of the requirements in this document.

The requirements in this Standard are applicable to the ASMO and its members. Artisanal miners can participate in Fairtrade as members of an ASMO if an ASMO is in place. This Standard applies to community-based ASMOs comprising all possible forms of organizations that they may constitute.

The Fairtrade International Standards Unit will provide Explanatory Documents which contain further information related to this Standard. Once finalized, these documents can be found on the Fairtrade International website: www.fairtrade.net/standards. You will not be audited against the Explanatory Documents.

Application

This is the first version of the Fairtrade Standard for Gold and Associated Precious Metal for Artisanal and small Scale Mining. It becomes applicable from 1 April 2014.

This Standard has been adapted from and supersedes the first version of the Fairtrade and Fairmined Standard for Gold from Artisanal and Small-scale Mining, including associated precious metals, published on 15th March 2010.

Monitoring of changes

Fairtrade International may change Fairtrade Standards as explained in Fairtrade International's Standard Operating Procedures, see http://www.fairtrade.net/setting_the_standards.html. Fairtrade Standard requirements can be added, deleted, or changed. If you are Fairtrade certified, you are required to regularly check the Fairtrade International website for changes to the Standards.

Fairtrade certification ensures that you comply with Fairtrade Standards. Changes to Fairtrade Standards may change the requirements of Fairtrade certification. If you wish to be or are already Fairtrade certified, you are required to regularly check the compliance criteria and certification policies on the certification body's website at http://www.flo-cert.net.

Change History

Version number	Date of publication	Changes
08.11.2013	08.11.2013	First publication of standard

1. General Requirements		
		Intent and scope This chapter outlines the requirements that relate to the certification of the ASMO and its members and to the scope of this Standard. **This chapter applies to the ASMO as the certificate holder.**
1.1 Certification		
Year 0	**Core**	**1.1.1** When applying for initial certification, you **must accredit** your "artisanal and small-scale" nature by obtaining a recommendation letter from a government agency and/or a local or international NGO. ***Guidance:*** If there is any doubt about the artisanal and small-scale nature of the ASMO, FLO-CERT can consult local mining laws, if they define Artisanal and/or Small-scale Mining, and nearby ASM communities.
		1.1.2 You **must provide** documentary evidence that their vision and constitution are in line with Fairtrade objectives.
Year 0	**Core**	**1.1.3** You **must accept** audits of your premises and subcontracted premises, and provide information at the certification body's request.
Year 0	**Core**	**1.1.4** You **must appoint** a contact person for all certification matters. This person **must keep** the certification body and Fairtrade International updated with contact details and important information.
Year 0	**Core**	**1.1.5** You **must facilitate** support from Fairtrade International staff and consultants working on the behalf of Fairtrade to the members of your organization. ***Guidance:*** Fairtrade staff and consultants working on the behalf of Fairtrade support the empowerment and development of the organization and its members in order to increase their representation and participation in the global gold supply chain– particularly the organization and training of workers and the integration of organised women.
1.2 Members are Artisanal and Small-scale Miners		
Year 0	**Core**	**1.2.1** The majority of the miners working in the scope of the ASMO **must be comprised of** • Community-based artisanal or small-scale miners. Mining is done by themselves and their families; • Owners/members/holders of the ASMO participate in mining activities or are dedicated to economic activities of the ASMO; • Owners/members/holders of the ASMO are part of the mining community; • Owners/holders/members of the ASMO are never shareholders of Industrial Mining Capital.
		1.2.2 The ASMO **must have** clearly **defined** geographical boundaries. ***Guidance:*** Geographical boundaries are defined by the ASMO and must be local to the centres and region of production under their direct influence. The boundaries help ensure fuller awareness and commitment towards the goals and regulations of the organization by its members.

1.3 ASMO responsibilities		
		Intent and scope The intent of this section is to ensure that the ASMO and its registered members abide by all legal obligations under national legislation such as paying due taxes on royalties. Additionally this section outlines rules to ensure that the ASMO and is registered members develop mining activities without the destruction of other natural resources that are required by other groups in the local community, be it ethnic groups or agriculturalists and herders, and that they implement effective conflict management mechanisms.
Year 0	**Core**	**1.3.1** Taxes, fees, royalties and other tributes as required by applicable legislation **must be paid** to the relevant authority.
Year 0	**Core**	**1.3.2** The mining operations **must be conducted** with the agreement of the legal and traditional local community authorities.
Year 0	**Core**	**1.3.3** The ASMO **must have** a transparent and effective grievance procedure in place for human rights and environment, which includes a due diligence process. The grievance procedure **must include**: • A responsible person in charge of grievances nominated by the ASMO management. • Processes to document grievances, concerns and corrective measures. • Processes for the investigation and decision making within ninety days after the receipt of a grievance.
Year 0	**Core**	**1.3.4** If grievance issues cannot be resolved between the ASMO and the Stakeholder, concerns **must be investigated** by a competent environment or human rights body (as applicable) that is recognized by the national federation of the affected producers. If there is no agreement of the competence of such a body, Fairtrade International reserves the right to decide on their behalf within thirty days. The terms of reference for the investigation **must be approved** by the certification body. The ASMO **must take measures** in accordance with the decision taken by the competent environment or human rights body. The costs of investigation **must be covered** by the ASMO, except in case of repetitive grievances decided previously already in favour of the ASMO, where **costs must be covered** by the party that loses the case.
Year 0	**Core**	**1.3.5** Revenues of the ASMO and any of its miners **must not be used** directly or indirectly to finance or support illegal activities or armed conflicts.

Year 3	**Dev**	**1.3.6** The ASMO **must play an active role** in planning and promoting local sustainable development. This includes assuming responsibility over the surrounding mining community including areas, entities and people that are NOT part of the System of Production, but part of the surrounding overall mining community. ***Guidance:*** The ASMO pro-actively assumes responsibility sensitive to the Fairtrade core principles through monitoring, planning and Premium Use. The most sensitive areas where the ASMO develops a clear pro-active monitoring are: • collaboration with other community groups and its authorities to monitor and sustainably manage forest areas within its area of influence; • defining untouchable areas in communities or areas that are part of the community but not part of the System of Production; • the strongest possible efforts to monitor the situation of women; • the ASMO makes the strongest possible efforts to monitor and campaign for prohibiting amalgam burning within habitat areas of the mining community (where applicable). The ASMO defines as a priority objective the elimination of amalgam burning in houses within a given period, and makes sure that amalgam burning is performed within well-defined sites, isolated from residences.
Year 3	**Dev**	**1.3.7** The ASMO **must make** all reasonable **efforts** to integrate women mineral selectors into its System of Production. ***Guidance:*** It is the intent of the Standard to engage self-employed women mineral selectors to sell into the Fairtrade market instead of to local traders who pay them a lower price. Improving technology easily affects them. Even if they do not belong to the System of Production of the ASMO, they are a priority group which should benefit from the “second level responsibilities” of the ASMO over the mining community, which will be reflected in the participation of activities carried out by the Premium Plan..

1.4 Product Description

This Standard covers precious metals produced from the ASM of primary (hard-rock), secondary (placer) and tertiary (tailings and spoil heaps) deposits. Fairtrade precious metals includes gold, as well as silver and platinum when found and produced as by-products alongside certified gold, and should therefore be interpreted as “gold (Au)”, “silver (Ag)” and “platinum (Pt)”

Fairtrade Ecological Gold, Silver and Platinum refer to gold, silver and platinum that have been produced by the miners’ organization in compliance with the requirements for ecological (chemical-free) precious metal extraction outlined in chapter 3.2 on Environmental Protection.

Intermediate products such as gold impregnated activated carbon from leaching or “doré” alloys (very low fineness gold bars) are tradable products in some countries. The processing of these intermediate products, and in some cases further enrichment (refining), are often undertaken by the miners’ organization in order to add value to their product. These processes are can also be carried out by downstream operators buying from the miners.

As the product is the Fairtrade certified metal used as a component for manufacturing the final consumer products, this Standard does not cover manufacturing in detail. Instead, the Standard outlines composite rules and requires all involved operators to be certified operators.

2. Trade

Intent and scope

This chapter outlines the requirements that you need to comply with when you sell Fairtrade precious metals. See Annex 1 for definitions.

2.1 Traceability

Intent and scope

Traceability requirements are intended to protect operators and consumers through the Fairtrade Labelling and stamping scheme.

Requirements in this section ensure that the authenticity of Fairtrade Precious Metal can be verified, traced back to the producer through documentation and that the product is physically separate and identifiable from non-Fairtrade products.

For Fairtrade Precious Metal, physical and documentary traceability is assured through the “chain of custody” for all labelled products, Physical and/or documental traceability requirements assure the customer that the exact quantity of Fairtrade Precious Metal was mined according to this Standard by one or more artisanal and small-scale mining organizations, and that the purchase of the consumer product provides immediate benefits to this/these certified organization(s).

For Fairtrade Ecological Precious Metal, which is a very exceptional product that deserves handling with special care, physical traceability requirements guarantee to the customer that the entire gold in the final product has been produced as a provenance certified metal by certain miners’ organization(s), and that the purchase of the consumer product provides immediate and exclusive benefits to this/ these certified organization(s).

Fairtrade Precious Metal can be mass-balanced by refiners registered within the “chain of custody”. This exemption to traceability requirements is permitted in order to assist in the development of a volume market for the ASMOs, and to

		secure maximum benefits through the payment of the Fairtrade Premium and minimum Price. Fairtrade Precious Metal that is mass-balanced is not permitted to be labelled as Fairtrade in any consumer or public facing communication or marketing.
Year 0	**Core**	**2.1.1** You can only sell ore or minerals as Fairtrade which were produced by the ASMO and its registered miners. Metal, metal ore, minerals and tailings from non-registered miners or areas **must be kept separate** from Fairtrade metal and must not be sold as Fairtrade metal. Joining, blending and consolidating of two or more certified volumes of mineral or intermediate products from two or more certified ASMOs or registered miners for the purpose of joint processing is allowed.
Year 0	**Core**	**2.1.2** The entire volume of Fairtrade Precious Metal produced by the ASMO's System of Production **must be physically traceable**. ***Guidance:*** The ASMO has implemented an Internal Control System (ICS) that proves the origin of the ore, concentrates and final products.
Year 0	**Core**	**2.1.3** If the ASMO or its miners lease or hire third party owned equipment for mineral processing, complete physical traceability of the gold **must be ensured**.
Year 0	**Core**	**2.1.4** If the ASMO or its miners need to contract third party operators to process their mineral or to perform further enrichment of intermediary products, best available efforts towards full compliance to physical traceability requirements **must be made**. ***Guidance:*** Where full compliance to physical traceability requirements imposes disproportional costs, then the ASMOs are exempt from physical traceability requirements. Subcontracted service providers (such as processors) are subject to physical audits for which the ASMO has the responsibility. Indicators for physical traceability costs and procedures for documentation of disproportional costs that qualify for exemption from physical traceability are set out in more detail in a separate Explanatory Document. In case of exemption from physical traceability of a processing step, the ASMO or its miners must be in physical possession of the product before and after the exempted processing step and exact mass balance (input equals output, less process losses) must be assured.
Year 0	**Core**	**2.1.5** ASMOs certified for Ecological Precious Metals **must fulfil** all physical traceability requirements, if they sell their certified precious metals as ecological production. ***Guidance:*** An ecological certified miner is allowed to sell their precious metals as either Fairtrade or "ECO".
Year 0	**Core**	**2.1.6** Traceability through documentation **must be assured** for the entire volume of Fairtrade Precious Metal produced by the ASMO at all times.
Year 0	**Core**	**2.1.7** All transactions between the ASMO and the buyer **must be fully traceable** and are subject to full compliance to physical traceability requirements for Fairtrade Precious Metal destined for labelled product. ***Guidance:*** This requirement applies to traceability during trade, transport and processing.
Year 0	**Core**	**2.1.8** Joining, blending and consolidating volumes of Fairtrade Precious Metal are allowed at any stage.
Year 0	**Core**	**2.1.9** All transactions between the trader/buyer and any subsequent operator or between operators, including transport, **must be fully traceable** and are subject

		to full compliance to physical traceability requirements for all labelled products.
Year 0	**Core**	**2.1.10** During any process of further enrichment or manufacturing that leads to a consumer labelled product **full compliance** to physical traceability requirements **must occur**.
Year 0	**Core**	**2.1.11** Operators (buyer/trader, transporter, refiner, manufacturer, etc.) handling "Fairtrade" and "Eco Fairtrade" Precious Metal **must assure** physical traceability requirements for all labelled products.
Year 0	**Core**	**2.1.12** Documentary traceability **must be ensured** by any operator at any point of the supply chain by using an identification mark on all related documentation. Buyer and seller **must clearly indicate** an identification mark on the related documentation (such as Contracts, Delivery Notes, Invoices). All operators must ensure that they and the certification body will be able to trace: • the seller of the product; • the physical form of the product when transacted (purchase and sale); • the alterations performed and relevant yields; • disposals; • quantities bought and sold (one up – one down); • date of transactions. • Proof of payment of Fairtrade Minimum Price, Payment of Fairtrade Premium, and Ecological Premium, and pre-financing (where applicable).
Year 0	**Core**	**2.1.13** Fairtrade Precious Metal that is purchased under the Gold Sourcing Program model**, must be physically traceable** from a certified ASMO up to the point of refining.
Year 0	**Core**	**2.1.14** Fairtrade Precious Metals purchased under the Gold Sourcing Program **must conform** to the labelling and communications policies stipulated in any contractual agreements with Fairtrade International or authorised Licensing Partners. ***Guidance:*** Products that are produced as a result of the Gold Sourcing Program are not eligible for product labelling or consumer facing marketing, so as to protect the integrity of the labelled traceable supply chain.
2.2 Product Composition		
		Intent and scope While the scope of this Standard covers exclusively Fairtrade Precious Metal, the product that bears the Fairtrade Label is the final consumer product, which contains that metal. The intent of this section is that the certified precious metal is a significant component of the labelled final consumer product.
Year 0	**Core**	**2.2.1** The label and/or stamp on the final consumer product **must indicate** clearly that the precious metal is certified as Fairtrade Gold, Silver or Platinum, in line with Fairtrade International labelling conventions for precious metals. (See Fairtrade International Labelling and mark manual for compliance criteria)

Year 0	**Core**	**2.2.2** The final consumer products that may be labelled as Fairtrade and/or Fairtrade Ecological Gold, Silver or Platinum are: • jewellery and semi-finished jewellery components; • coins, ingots and bullion products of commemorative and/ or financial nature; • medals and trophies; • religious artefacts
Year 0	**Core**	**2.2.3** The use of the Fairtrade label on certified precious metals is subject to authorization by Fairtrade International.
Year 0	**Core**	**2.2.4** The minimum caratage of Fairtrade certified precious metal that can be used in the products outlined in 2.2.2 **must comply** with the national legislation of the country in which they are being sold. They **must also conform** to the internationally recognised product description laid out in the World Jewellery Confederation, 'BLUE Book – Precious Metals Book – terminology and classification'.
Year 0	**Core**	**2.2.5** Where jewellery components cannot be fully sourced from a certified precious metal source, they **are permitted** to be used as non-certified metals in a final certified piece of jewellery as long as they are listed below: • earring scrolls; • catches (bolt rings, trigger clasps, swivels, bayonets); • chain (as long as it does not exceed fifteen per cent of the total precious content on the finished jewellery items; • brooch backs, catches, joints and pins; • solder and alloys.
Year 0	**Core**	**2.2.6** The certified precious metals **must constitute** one hundred per cent of the metal used in commemorative coins, ingots, medals, trophies and religious artefacts.
Year 0	**Core**	**2.2.7** Plated (gilded) medals or trophies consisting of other metals in their interior or in other ornamental parts are not eligible for labelling or stamping.
2.3 Contracts		
		Intent and scope Trading in precious metal is a matter of trust. Long-term relationships between producers and buyers under clear rules, and openly exchanged sourcing plans and production plans, allow building these mutual trust relations – and enable the ASMO to become involved in long-term improvements of their operations. Contracts between the ASMO and buyers set the framework for Fairtrade trade operations. It is important that the contractual obligations are mutually agreed, well documented, and clearly understood by the contracting parties.
Year 0	**Core**	**2.3.1** The buyer **must provide** his/her Fairtrade business partners with an indicative Annual Sourcing Plan specifying the volumes of Fairtrade Precious Metal expected to be bought from every ASMO.
Year 0	**Core**	**2.3.2** The ASMO **must provide** its Fairtrade business partners with its indicative Annual Production Plan of Fairtrade Precious Metal.
Year 0	**Core**	**2.3.3** Documentary transparency (paper or electronic copy) **must exist** for all Fairtrade transactions along the supply chain, from certified ASMO through to final labelled product or to point of mass balancing.

Year 0	**Core**	**2.3.4** All involved parties **must undersign** the respective agreements that guarantee the required transparency for all Fairtrade transactions.
Year 0	**Core**	**2.3.5** The ASMO (or its miners) and the buyer **must draw up** a contract. The contract must include at least the following elements: • minimum and maximum volumes; • quality specifications; • price and payment conditions; • delivery conditions. Both parties **must ensure** that the price is based on the AM or PM LBMA/LPPM fixing time and date.
Year 0	**Core**	**2.3.6** The ASMO (or its miners) and the buyer **must define** the precious metals content determination and arbitration procedures in the purchase contract, in line with existing practice in the sector.
Year 0	**Core**	**2.3.7** Shipment Orders **must specify** the quantity and assumed purity of metal per shipment.
Year 0	**Core**	**2.3.8** Where notice of an ASMO or buyer's suspension is made, signed contracts made before the date of such notice will only be recognized as representing certified products for a maximum period of six months after the date of suspension. FLO-cert shall inform all traders and operators of a suspension within seven working days of the suspension notice. ***Guidance:*** Existing Fairtrade contracts that have been entered into before notice of suspension may be fulfilled if both parties (producer and buyer) agree.
Year 0	**Core**	**2.3.9** Operators **must not purchase** products from, or **sell** products to, decertified operators for sale as certified products, from the date of decertification. All contracts that have been delivered to the buyer shall be accepted. Contracts that have not yet been fulfilled at the point of decertification shall not be classified as Fairtrade contracts.
Year 0	**Core**	**2.3.10** Buyers **must not make** the purchase of certified products conditional on the sale of a quantity of non-certified product under terms that are distinctly disadvantageous to the producer.
2.4 Buying from Certified Producers		
		Intent and scope The intent of this section is to ensure that the considerable efforts of organizations and their members to be Fairtrade certified are appropriately rewarded through the payment of the Fairtrade Price and Premium and that these efforts are not taken advantage of nor exploited for others' personal gain. This includes eliminating unnecessary middlemen and maintaining a fully traceable internal chain of custody. This section applies to the ASMO, its members and all downstream operators handling Fairtrade Precious metals, to the point of sale where the final consumer product is sold.
Year 0	**Core**	**2.4.1** All operators **must designate** one official contact for Fairtrade commercial related matters.

Year 0	**Core**	**2.4.2** All Fairtrade Precious Metals **must be produced** by certified ASMOs at their certified mines.
Year 0	**Core**	**2.4.3** Either the ASMO or registered miners from the ASMO's System of Production may sell certified precious metals. Buyers **must provide** the ASMO with a report on all transactions with its miners. Reports **must be submitted** for each trade as soon as final payments are made, and **must include**: • date of transaction; • volume of precious metal bought; • amount of applicable Premium paid. ***Guidance:*** Reports of transactions with miners from the ASMO's System of Production enable the ASMO to consolidate and control volumes sold in its Internal Control System and to record Premium monies received by miners on behalf of the ASMO.
2.5 Use of Fairtrade trademark		
Year 0	**Core**	If you want to use the FAIRTRADE trademark in your promotional material (such as brochures, websites or wholesale packaging) you **must first contact** Fairtrade International for approval. ***Guidance***: Fairtrade International encourages the use of the FAIRTRADE trademark by producers. In order to protect the integrity of the Mark, Fairtrade International will make sure that the material complies with the "Trademark Use Guidelines" and will give you written permission once this has been confirmed. If use without prior permission is identified, your first step is to contact Fairtrade at artwork@fairtrade.net to find a joint solution. You do not have to remove the FAIRTRADE mark immediately from all material. Fairtrade's Artwork Coordinator will discuss all necessary steps with you. Fairtrade International considers all Fairtrade producers as partners to protect the integrity of the Fairtrade trademark and is committed to always find a workable solution for all parties. It is good practice to start your request 5 to 6 weeks before a printing or publishing deadline, or before a scheduled audit, in order to avoid the risk of missing your deadline. Please allow between one and three weeks for artwork to be approved. If there are no delays in the process from the producer side or from Fairtrade International, artwork can be approved within this period. For further explanation and guidance, you can contact the Fairtrade Artwork Coordinator directly: artwork@fairtrade.net
3. Production		
		Intent and scope This chapter outlines the ethical and sustainable production practices that are behind every Fairtrade product.
3.1 Management of Production Practices		
		Intent and scope This section intends to ensure the continued compliance of the members of the ASMO. The requirements in this section apply to the ASMO and its registered miners that are part of with the System of Production.
Year 0	**Core**	**3.1.1** The ASMO **must define** its System of Production which includes a complete register of all participating miners, including areas, processing units

		(domestic and industrial), external service providers, and a Mining Plan which indicates clearly where mining and processing activities take place. ***Guidance:*** The System of Production includes all areas in which the ASMO has a legal authority: • the ASMO or its miners have or are granted land-rights; • the ASMO or its miners have or are granted mining rights; • the ASMO or its miners own domestic or industrial (medium-scale mechanised) mineral processing facilities (if applicable). The System of Production supports the ASMO to define exclusions and inclusions of areas, communities, miners and processing units. The System of Production is: a written description which maps the mining community, the areas, mines and processing facilities used by the ASMO, its registered miners, as well as the areas and miners which are excluded from the scope of the ASMO. Areas and/or miners excluded from the System of Production are entirely excluded from the Fairtrade supply chain; a mapping tool for the internal supply chain of Fairtrade minerals; a tool that allows a certificate holder to define the scope of the Fairtrade Project, and to develop and apply inclusion and exclusion criteria for the Project and for the Premium governance. All included registered miners are beneficiaries and must be represented in the Premium governance. The System of Production also describes the involvement of different technical elements or units to the internal supply chain. It clearly describes the level of control, and therefore responsibility that the ASMO has over third-party owned and operated infrastructure (e.g. processing plants) used for the production process.
Year 0	**Core**	**3.1.2** The ASMO **must establish** an Internal Control System (covering all volume and sales into the Fairtrade supply chain) prior to certification that excludes mineral, gold or tailings from non-registered miners, areas and processing units.
Year 1	**Core**	**3.1.3** The ICS **must include** regular monitoring of the assigned areas where miners operate. ***Guidance:*** Regular monitoring includes random visits to check who is working in designated areas and monitors the daily delivery to processing facilities. Such visits are done by authorized persons of the ASMO (supervisor/ shift leader). The ASMO records frequency, date and irregularities (if applicable).
Year 0	**Core**	**3.1.4** All processing facilities **must have** a documented Internal Control System available onsite. All data is to be documented with the ASMO in a central ICS. Minimum requirements are: • a list of all miners and processing units that deliver gold minerals, and tailings to them, signed by the responsible person with ID card No; • delivery date; • delivered amount; • area of origin, assigned by the ASMO to the miners' groups (name, description); • gold content; • laboratory results (if applicable); • the payment (if applicable onsite).

Year 1	**Core**	**3.1.5** The ASMO and all legal organizations of its System of Production **must have** a legal and transparent structure in place according to the respective legislation applicable for the specified type of organization.
Year 1	**Core**	**3.1.6** The ASMO and all legal organizations of its System of Production **must have** legal financial control.

3.2 Environmental Protection

Intent and scope

This section intends to ensure that the most significant risks and negative environmental impacts of ASM are progressively minimized. These requirements prioritize environmental challenges for artisanal miners, which can be realistically achieved in the short or medium term, given their human and capital resources.

The aim of this Standard is to drive ASM towards environmental responsibility and continual environmental improvement. Furthermore, the Standard reflects that responsible mining is also a vision of artisanal mining without environmental contamination and with full ecological restoration, and entails avoiding rush-type mining and invasion of protected areas

Management of Toxic Substances

Intent and scope

The intent of this section is to set out a process to support ASMOs to minimize or eradicate (as appropriate) the use of mercury and cyanide over an agreed period of time, through implementation of responsible practices and technologies to mitigate the impact on the environment and human health.

Fairtrade recognises the difficulties in eliminating the high risk chemicals mercury[1] and cyanide in mineral recovery , Therefore, an Ecological Premium is offered on top of the Fairtrade Premium for ASMOs who eliminate mercury and cyanide altogether, using only non-toxic processes (e.g. gravimetric methods, borax) for gold recovery, and developing low-impact mining in areas of high biodiversity.

In jurisdictions where mercury and/or cyanide use is prohibited for ASM by law, national and local legislation prevails.

Year 0	**Core**	**3.2.1** Amalgamation **must not be used** if gold recovery without mercury is reasonably possible.
Year 0	**Core**	**3.2.2** Whole ore amalgamation of gold with mercury is not allowed. A mercury-free concentration process **must precede** amalgamation. Concentration may be done mechanically or manually. ***Guidance:*** In case of Systems of Production without mechanized processing plants (only domestic processing plants), hand-sorting of mineral inside or outside the mine is considered a concentration process.

[1] At the time of the publication of this Standard, Fairtrade International is working on a mercury intervention programme that will be able to respond quickly and efficiently to accelerate the removal of mercury from the Fairtrade supply chain for gold and precious metals.

Year 0	**Core**	**3.2.3** If mercury is used in mineral processing, retorts or alternative mercury recovery techniques **must be used**.
Year 0	**Core**	**3.2.4** Nitric acid **must not be used** for dissolving amalgam.
Year 0	**Core**	**3.2.5** Amalgam burning **must not take place** in homes or kitchens, or other indoor places where people without protection may be affected. Amalgam burning **must be done** only in designated premises providing privacy and security, and with proper equipment and trained personnel.
Year 0	**Core**	**3.2.6** **You must maintain a** safe site for the specific purpose of storage, use, and disposal of toxic and dangerous substances. This location **must have** adequate conditions for safe storage and inventory keeping .Toxic and dangerous substances **must not be stored** in residences. ***Guidance:*** Toxic and dangerous substances include explosives, mercury, cyanide, acids and any other chemical substance. Adequate conditions include a ventilated building or structure with access by only trained persons.
Year 0	**Core**	**3.2.7** The toxic and dangerous substances may only be used and handled by trained adults over 18. Toxic and dangerous substances such as mercury, cyanide and acids **must never be used or handled** by pregnant or breastfeeding women, or persons diagnosed with mental deficiencies, or diseases of the gastrointestinal, urinary, nervous or respiratory systems.
Year 0	**Core**	**3.2.8** Instruments and tools used for any operations with mercury **must not be used** in any other domestic activity.
Year 0	**Core**	**3.2.9** If the ASMO uses cyanide to recover gold, cyanide solutions and tailings **must be detoxified** in a lined pond or tank before discharge.
Year 0	**Core**	**3.2.10** Amalgamation and cyanidation tailings and solutions **must not be discharged** into water, or where they can reach water bodies.
Year 0	**Core**	**3.2.11** Any cyanide leaching plant **must be operated** by personnel trained in the safe and proper use of cyanide.
Year 0	**Core**	**3.2.12** Cyanide leaching of unprocessed amalgamated tailings is not allowed and **must not take place**. If amalgamated tailings are leached, mercury recovering gravimetric pre-processing must precede cyanidation.
Year 1	**Core**	**3.2.13** The cyanide leaching plant **must be constructed** in such a way that environmental contamination does not occur.
	Protection of ecosystems	
		Intent and scope The aim of this section is to ensure that local ecosystems are protected and restored through the use of environmentally friendly technologies. This will occur through the promotion of improved environmental management practices by miners, through complying with environmental regulations, landscape restoration, hazard prevention, management of tailings, mitigation of Acid Mine Drainage (AMD), and water pollution prevention. Fairtrade aims to minimize the negative impact of ASM in Environmentally Protected Areas and Critical Ecosystems, and does neither support nor endorse newcomer ASM in such areas.

		Fairtrade excludes mining operations in Protected Areas and may exclude mining in Critical Ecosystems on request from the Fairtrade certification scope, according to the procedure for Temporary Excluded Areas (TEA).
Year 0	**Core**	**3.2.14** All mining operations and processing plants **must comply** with national environmental laws and **have** valid environmental licenses, permits or management plans according to national legal requirements.
Year 0	**Core**	**3.2.15** The mining area **must not be located** in any area protected under national legislation where mining is not allowed. If the mining area is located within such an area, the ASMO may apply for an exception only if: • the ASMO has an authorization from the relevant authority, stating that the mining activities are legal and compatible with the conservation and management objectives of the protected area; • and the ASMO can provide evidence of an environmental impact assessment having been conducted in the past three years, as well as regular and on-going environmental monitoring activities; • and the ASMO applying for Fairtrade certification has an environmental mitigation plan in place; • and the ASMO has a positive track record, having operated with a legal permit and under the monitoring of local authorities for at least five years.
Year 0	**Core**	**3.2.16** In the case of open-pit mines, inclination of slopes and height of benches **must not exceed** limits generally considered safe for that type of soil or rock. ***Guidance:*** Where slopes are not already specified in national legislation, slope angles should be determined by reference to similar artisanal mines nearby where slopes have not failed.
Year 0	**Core**	**3.2.17** Fuel residues and their containers **must not be dumped** in water bodies or where they can reach water bodies. They must be properly disposed of at places approved by the Environmental Protection Agency or other equivalent body in the locality.
Year 1	**Core**	**3.2.18** The ASMO **must evaluate** the environmental impact for any technological change and establish an environmental mitigation plan if appropriate.
Year 3	**Dev**	**3.2.19** Open pits and underground mine apertures created by the ASMO **must be refilled or blocked** sufficiently after the termination of extractive activities, to enable ecological regeneration and ensure hazard prevention.
Year 3	**Dev**	**3.2.20** Where mining could lead to acid mine drainage (AMD), the organization **must employ** effective methods to isolate acid-forming materials from water.
Year 3	**Dev**	**3.2.21** Tailings and contaminated water **must not be discharged** into water bodies or where they can reach water bodies.
Year 6	**Dev**	**3.2.22** The ASMO **must implement** good waste management practices. Disposal of tailings, waste water and chemical waste **must be properly planned and carried out** by experienced persons. Waste management is based on identified risks and planned within set timelines, measures and action points and **must be documented** by the organization.
Year 6	**Dev**	**3.2.23** Intervened areas **must be rehabilitated** and **re-vegetated** in ways that enhance local biodiversity as appropriate for the native ecosystem and/or converted to an alternative use in accordance with land planning priorities of the

		local community authorities. Rehabilitation **must occur** within two years of mining activities ceasing, and following a rehabilitation planning process that has been consultative with the local community, intended beneficiaries, and other impacted persons or organisations.
	Ecological Gold, Silver and Platinum	
		Intent and scope This section details additional requirements for gold and associated precious metals produced under stringent environmental practices that include forest restoration in areas of high biodiversity and ecological restoration in any ecosystem. Only non-toxic processes (e.g. gravimetric methods) are accepted, with no mercury or cyanide. ASMO choosing to comply with the requirements in this section are eligible to an Ecological Fairtrade Premium. Procedures, roles and responsibilities for handling the Ecological Premium should be the same as handling the Fairtrade Premium. The Fairtrade Ecological Premium compensate for economic losses due to lower gold recovery of the applied mercury-free and cyanide-free processing techniques, as well as less intensive mining activity.
Year 0	**Core**	**3.2.24** The ASMO and its miners **must not use** mercury or cyanide for mineral processing. Only non-toxic processes, e.g. gravimetric methods, are used. ***Guidance:*** Tailings from precious metal classified as ecological precious metal may be sold to industrial third party processing plants (outside the System of Production) for which the ASMO has proof of an appropriate, existing and implemented environmental management plan. In this case the gravimetrically recovered precious metal is certifiable as "ecological", but the precious metal from the tailings is certifiable as Fairtrade only. If the ASMO or its miners post-processes the tailings with cyanide or mercury (which means the ASMO uses mercury or cyanide), even the purely gravimetrically recovered fraction is not certifiable as "ecological". In this case the entire gold is certifiable as Fairtrade, but not "ecological". Another certified ASMO may acquire the right to mine these tailings (within its System of Production) and process them as regular Fairtrade Precious Metal.
Year 0	**Core**	**3.2.25** An environmental management plan **must be in place** in order to minimize ecological disruption due to mining.
Year 0	**Core**	**3.2.26** After the closure of mining operations, intervened areas **must be rehabilitated** and **re-vegetated** in ways that enhance local biodiversity as appropriate for the native ecosystem and/or converted to an alternative use in accordance with land planning priorities of the local community authorities. Rehabilitation **must occur** within two years of the conclusion of mining activities and follow a rehabilitation planning process that has been consultative with the local community, intended beneficiaries, and other impacted persons or organizations.
3.3 Labour Conditions		
		Intent and scope This section intends to ensure decent working conditions. Fairtrade International regards the 1998 ILO Declaration on Fundamental Principles and Rights at Work, as well as all other applicable ILO Conventions as references for decent working

		conditions. The concept of decent work can be summarised in four basic objectives: rights at work, employment, social protection and social dialogue. Workers are waged employees, whether they are permanent or seasonal/temporary, migrant or local, subcontracted or directly employed. Workers include all hired personnel whether they work in the mine, in processing sites, or in administration. Senior managers and other professionals are not considered workers. All requirements in this chapter are applicable to all workers and employees directly employed by the ASMO, by its members/owners, by small- and micro-enterprises and self-employed miners within its scope (administration, industrial and domestic processing plants, mineral extraction).
Year 0	**Core**	**3.3.1** The ASMO **must assess** the existing employment conditions of all workers in its' System of Production and **must identify** the priority needs of all workers.
Year 1	**Core**	**3.3.2** Changes in employment conditions **must be monitored** annually.
Year 3	**Dev**	**3.3.3** Based on the assessment in requirement 3.3.1, the ASMO **must develop** an employment policy to address how to improve the working conditions of all workers employed directly by the ASMO and its registered miners. The employment policy **must be part** of the ASMO development plan (see details on the Fairtrade Development Plan in section 4.1). ***Guidance:*** The ASMO may also identify additional areas for improvement. The implementation of the employment policy may include: • the development of awareness-raising tools to support the improvement of working conditions, such as the development of leaflets or visual guides on health and safety issues, or the organization of training workshops for members and workers on workers' issues; • taking workers' needs into account when developing Fairtrade Premium projects. The Employment Policy is a tool for the ASMO to share the benefits of Fairtrade with workers. More advanced organizations can develop and implement internal rules for their miners on working conditions.
	Freedom from discrimination	
		Intent and scope This section intends to prevent discrimination in general against all workers based on ILO Conventions 100 (Equal Remuneration) and 111 (Discrimination (Employment and Occupation)) against worker discrimination. Discrimination is making an unfair distinction in the treatment of one person over another on grounds that are not related to ability or merit. The objective of this requirement seeks to protect people who are vulnerable due to their physical, cultural, social or economic characteristics, especially women miners, disabled or ill persons, HIV-AIDS orphans, persons displaced by conflict or ex-combatants seeking a new beginning. **This section is applicable to all workers employed by you and by the members of the ASMO.**
Year 0	**Core**	**3.3.4** The ASMO and its miners **must not discriminate** on the basis of race,

		colour, gender, sexual orientation, disability, marital status, age, religion, political opinion, membership of unions or other workers' representative bodies, national extraction or social origin in terms of recruitment, promotion, access to training, remuneration, allocation of work, termination of employment, retirement or other activities..
Year 0	**Core**	**3.3.5** The ASMO and its miners **must not engage in**, **support** or **tolerate** the use of corporal punishment, mental or physical coercion or verbal abuse. ***Guidance:*** Where such practices are endemic within a sector or region you are encouraged to address this within the framework of your Fairtrade Development Plan, for example by developing a written policy and a system to prevent improper disciplinary practice.
Year 0	**Core**	**3.3.6** The ASMO and its miners **must not engage** in, **support** or **tolerate** behaviour, including gestures, language and physical contact, that is sexually intimidating, abusive or exploitative. ***Guidance:*** Threats of physical or sexual nature; harassment and intimidation are explicitly prohibited. This includes acts targeting the worker, his or her family and/or close associates. Where such practices are endemic within a sector or region you are encouraged to address this within the framework of your Fairtrade Development Plan, for example by developing a written policy and a system that clearly prohibits sexually intimidating behaviour.
Year 1	**Core**	**3.3.7** The ASMO **must have** a clear and defined policy and process to deal with gender-based violence, and will educate its registered miners about sexual harassment at work.
Year 3	**Dev**	**3.3.8** The ASMO and its miners **must provide** the same opportunities to men, women and disadvantaged individuals regardless of their provenance or origin in all areas of mining activity, as a worker, member or entrepreneur, through the recognition of their specific capabilities and needs.
Year 3	**Dev**	**3.3.9** The ASMO and its miners **must provide support** to all pregnant and breast-feeding women miners in its scope (self-employed women, women mineral selectors, or contracted women miners), so that they can pass to lighter, non-dangerous work, access health services, have access to childcare facilities where they can breastfeed their infants and receive benefits of social security where applicable. ***Guidance:*** The ASMO makes its best possible efforts to work with local authorities to ensure access to health services and social security for vulnerable people in its scope and the local community miners.
	Freedom from unacceptable labour	
		Intent and scope This section intends to prevent forced or bonded labour based on ILO Conventions C29 (Forced Labour Convention),C105 (Abolition of Forced Labour Convention) and trafficking for forced labour or services, including sexual exploitation based on the UN Trafficking Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children (Trafficking Protocol or UN TIP Protocol). **This section is applicable to all workers employed by you and by the members of the ASMO.**
Year 0	**Core**	**3.3.10** Forced labour, including bonded or involuntary prison labour, **must not occur**. ***Guidance:*** Forced labour can take the form of worker debt schemes involving the

		miner, his/her organization or intermediaries, by retaining of due payment, of identity documents or other personal effects of value, or under threat.
Year 0	**Core**	**3.3.11** Employment of a worker **must not be conditioned** by employment of their spouse. Spouses have the right to work elsewhere.
Year 0	**Core**	**3.3.12** Workers **must have** the freedom to terminate employment at any time without penalty.
Year 0	**Core**	**3.3.13** Workers **must enter** into employment voluntarily and freely, without threat of penalty, violence, harassment or intimidation. The miner is free to terminate employment at any time without penalty. Work or services performed by prisoners in a "private undertaking" **must be voluntary**, and this consent **must be given** without being subject to threat or penalty.
	Child labour and child protection	
		Intent and Scope This section intends to prevent labour that is damaging to children based on ILO Convention C182 (Worst Forms of Child Labour Convention) and on ILO Convention C138 (Minimum Age Convention). **This section is applicable to all workers employed by you and by the members of the ASMO.**
Year 0	**Core**	**3.3.14** Minimum direct or indirect contracted employment age **must not be** less than 15. National legislation for the mining sector must be complied with if it exceeds this requirement. ***Guidance:*** In the case of child-headed households where all members of the house-hold are below the age of 18 years a child's right approach should be used to interpret these requirements, giving priority to the best interest of the child and long terms social protection. The minimum age requirement also applies to children who are employed indirectly by you or the members of the ASMO, for example when children of workers are working with their parents in mining operations. If the age of a child is unknown, all efforts must be made to identify the age following child rights guidelines (specifically child protection) When there is a high likelihood of child labour as defined by ILO Convention 138 (Minimum age) and ILO Convention 182 (Worst forms of child labour) occurring you are encouraged to address this and include actions in your Fairtrade Development Plan that tackles root causes of child labour, such as ensuring safe schooling of children. If there are no schools available in the area where children live, all effort should be given to work with national authorities and/or other relevant partners to build schools for children or provide safe transportation so children can attend the nearest schools. If children who migrate temporarily with their working families to areas where no schools are available, temporary schooling alternatives could be sought and provided so children can attend school and receive a quality education. In all circumstances child rights should be given primary consideration, as reflected in the guiding principles of the UN Convention of the Rights of the Child (UNCRC).
		3.3.15 Your members' children below 15 years of age are allowed to help in their families operations under strict conditions: you **must make sure** that they only work after school or during holidays, the work they do is appropriate for their age, they do not work long hours and/or under dangerous or exploitative conditions and

		their parents and/or guardians supervise and guide them. ***Guidance***: Children may work in dignified family situations that are neither harmful nor exploitative where they are able to learn technical, business and life skills, and realize their citizenship as active members of their community.
Year 0	**Core**	**3.3.16** Your organization **must not** directly or indirectly **submit** workers less than 18 years of age **to any type of work** which puts their health, safety or morals and their school attendance at risk. ***Guidance:*** Examples of work that is potentially damaging includes subsoil and underwater activities, work that takes place in an unhealthy environment, involves excessively long working hours, night work the handling or any exposure to toxic chemicals, work at dangerous heights, and operation of dangerous equipment or is exploitative. Further examples, can be found in a countries Hazardous Child Labour Framework.
Year 1	**Core**	**3.3.17** If in the past you or your members have employed children under 15 for any type of work, or children under 18 for dangerous and exploitative work, you **must ensure** that those children do not enter or are at risk of entering into even worse forms of labour. ***Guidance:*** You should develop a remediation policy and program which includes a clear statement against child labour and defines projects with expert partner organizations to ensure the immediate and continued protection of children. One example of an appropriate remediation program might include implementing a community led child labour project aimed at improving social protection at household levels where impacted and at risk children live, with a provision to provide quality education.
Year 0	**Core**	**3.3.18** Your organization **must establish and implement** a Child Labour Policy, including a signed Child Protection Policy and Procedures document, a clear statement against child labour and a clear statement that demonstrates a commitment to adopting a child rights' approach to protecting and remediating impacted children.
Year 0	**Core**	**3.3.19** If child labour (i.e., work which puts children's health, safety or morals and their school attendance at risk) is a known risk in your organization or the surrounding community, the ASMO **must design and implement** youth-inclusive community-based monitoring and remediation of child labour and address and prevent child labour cases, following your organizations' Child Protection Policy and Procedures as agreed by the GA. ***Guidance:*** Relevant procedures are Youth (over 18 years old) inclusive community based monitoring and remediation on child labour and should be done on an on-going basis. Objectives of these procedures include • identifying children in or at risk of being employed in child labour, • reporting on the status of the identified children on a regular basis, • measuring the progress made in employing a rights based framework for preventing and phasing out child labour; and • guaranteeing that children withdrawn from labour situations are not substituted by other children. Community based monitoring and remediation includes keeping records of all workers stating their age, gender, identification papers, migratory status and other relevant data.
Year 1	**Core**	**3.3.20** If, as a result of your youth inclusive community based monitoring of child labour, you confirm that child labour is a risk in your organization or the surrounding community, you **must develop** preventive projects with expert

		partner organizations to ensure that additional children do not become involved and you are committed to offering continued protection to children. You and your workers **must be trained** on these. ***Guidance:*** The Fairtrade Officer or another representative from senior management should be responsible for the implementation and assessment of the Policy and related actions.
Year 3	**Dev**	**3.3.21** The ASMO and its miners **must contribute** to increased well-being of children and youth in their communities through continuous monitoring and remediation on child labour and enable decent youth employment within its scope to have access to technical training and awareness on socially responsible and environmentally friendly ways of mining.
	Freedom of association and collective bargaining	
		Intent and scope This section intends to protect workers against discrimination when exercising their human rights to organize and to bargain their working conditions collectively, based on ILO Conventions C87 (Freedom of Association and Protection of the Right to Organize Convention), C98 (Right to Organize and Collective Bargaining Convention), C135 (Workers' Representatives Convention), ILO Convention C141 (Rural Workers' Organisations Conventions) and ILO Recommendation R143 (Workers' Representatives Recommendation). Companies are expected to fulfil their responsibilities to respect these human rights even where the state does not protect them. Fairtrade International promotes the rights of freedom of association and collective bargaining and considers independent and democratic trade unions the best means for achieving this.
Year 0	**Core**	**3.3.22** The ASMO and all employers within its System of Production **must recognize** in writing and in practice the right of all workers to establish and to join a trade union or workers' organizations of their own choice, and to collectively negotiate their working conditions.
Year 0	**Core**	**3.3.23** The ASMO and all employers within its System of Production **must allow** access to trade union representatives in order to communicate about unionization and/or to carry out their representative functions at an agreed time and place. Your company **must not interfere** in these meetings.
Year 0	**Core**	**3.3.24** The ASMO and all employers within its System of Production **must not threaten, intimidate or harass** union members or representatives, nor discriminate against workers for their past or present union membership or activities, and must not base their hiring on not joining or giving up their union membership.
Year 0	**Core**	**3.3.25** The ASMO and all employers within its System of Production **must provide** time during working hours, facilities and resources on request for representatives' meetings with workers and for representatives to effectively carry out their functions.
Year 3	**Dev**	**3.3.26** If there is no union that is recognized and active in your area, if unions are forbidden by law, or if unions are managed by government and not by members, then the ASMO and all employers within its System of Production that employ a significant number of workers **must encourage** workers to democratically elect a workers' organization. The workers' organization will represent workers in their negotiations with you to defend their interests.

		Guidance: Fairtrade International defends the rights of freedom of association and collective bargaining and believes that independent trade unions are the best way for achieving this. Therefore, this requirement only applies to you if there are no recognized unions that are active in your area, if unions are forbidden by law or if unions are managed by government and not by members. "Recognized union" means that the union is affiliated with a national or international trade secretariat (for example the Global Union Federation). If you or the workers need help in contacting a trade union representative you can ask Fairtrade International for support.
Year 3	**Dev**	**2.3.27** The ASMO and all employers within its System of Production **must provide training** to workers for improving their awareness about workers' rights and duties. Training **must take place** during paid working time..
	Conditions of employment	
		Intent and scope This section intends to ensure good practices regarding the payment of workers and their conditions of employment based on ILO Conventions C95 (Protection of Wages Convention), C100 (Equal Remuneration Convention). This section also intends to ensure good practices regarding sick leave , social security, maternity protection and workers' housing based on ILO Conventions C102 (Social Security (Minimum Standards) Convention), Part III, C121 (Employment Injury Benefits Convention), C130 (Medical Care and Sickness Benefits Convention), and C183 (Maternity Protection Convention). **This section is only applicable to you if you employ a significant number of workers, and to your members that employ a significant number of workers.** **Significant number is defined by the certification body and may vary according to region, requirement and identified risk.**
Year 0	**Core**	**3.3.28** Conditions of employment and salaries in particular **must be equal to or exceed** the sector Collective Bargaining Agreement (CBA) regulations where they exist, regional average wages or official minimum wages for similar occupations, whichever is higher. The ASMO and any employer in its System of Production of **must specify** wages for all functions. Average income under profit-sharing agreements (where applicable) **must not be disadvantageous** in comparison to fixed salaries.
Year 0	**Core**	**3.3.29** The ASMO and its members **must make payments** to workers at regularly scheduled intervals and **must document** the payments with a pay slip containing all necessary information. Payments **must be made** in legal tender.. Payment in the form of vouchers, coupons or promissory notes is prohibited. Only if the worker explicitly agrees may you make the payment in kind and payments in-kind in the form of goods or services **must be regulated** and **documented** and can only be partial to ensure the worker is not deprived of cash remuneration.
Year 0	**Core**	**3.3.30** Workers **must have** at least one day of rest for every 6 consecutive days worked, unless exceptional circumstances apply. In any case, the ASMO must demonstrate that exceptions are in line with the legislation for mining industry. Exceptions cannot be claimed on a regular basis.
Year 0	**Core**	**3.3.31** All regular **work must be undertaken** by permanent workers of the ASMO or of the employers in its System of Production.
Year 0	**Core**	**3.3.32** If the ASMO and/or employers in its System of Production contract a third party for hiring workers, then this party **must be included** in the ASMO System of

		Production and must comply with all Fairtrade requirements. The ASMO **must ensure** that third party labour providers do not engage in fraudulent practices, workers recruited by them receive adequate protection, and no recruitment fees have been charged.
Year 0	**Core**	**3.3.33** All permanent workers **must have** a legally binding written contract of employment.
Year 1	**Core**	**3.3.34** Deductions from salaries are only permitted as agreed by national laws, as fixed by a Collective Bargaining Agreement or if the employee has given his/her written consent.
Year 1	**Core**	**3.3.35** Sick leave, annual leave, maternity leave, social security provisions and non-monetary benefits **must at least be equal** to national law, the sector CBA regulations where they exist or the agreement signed between the workers' organization and the employer, whichever is higher.
Year 1	**Core**	**3.3.36** Working hours and overtime **must comply** with applicable law and industry standards. Workers **must not be required** to work in excess of 48 hours per week on a regular basis.
Year 1	**Core**	**3.3.37** The ASMO and/or employers in its System of Production **must not require** its workers to work overtime. Overtime is allowable if it is voluntary and not used on a regular basis and does not extend over a period of more than 3 consecutive months. It must not exceed 12 hours per week, unless exceptional circumstances apply. In all cases overtime rates apply. National legislation must be complied with if it exceeds this requirement.
Year 1	**Core**	**3.3.38** Workers **must be compensated** overtime at a premium rate. The premium rate must be paid at a factor of 1.5 for work performed on the regional day of rest, and public holidays must be paid at a factor of 2 unless otherwise defined by national legislation, by CBA or by agreements with unions. If the ASMO and/or employers in its System of Production compensates overtime by the allocation of time off work, your company **must apply** the premium factor.
Year 1	**Core**	**3.3.39** Temporary workers who are employed for a period of 3 months or more of uninterrupted services **must have** a legally binding written contract of employment with a job description, signed by employee and employer.
Year 3	**Core**	**3.3.40** The ASMO and/or employers in its System of Production **must grant** workers at least 2 weeks of paid leave per year at minimum, not including sick and casual leave. Periods of annual leave **must be in line** with national legislation and/or with agreements detailed in a specific or sectorial CBA, if either of these exceeds 2 weeks.
Year 3	**Dev**	**3.3.41** The ASMO and employers in its System of Production company **must regularly increase** wage levels. ***Guidance:*** The wage increase is intended to raise wage levels to an eventual living wage.
Year 3	**Dev**	**3.3.42** Local, migrant, seasonal and permanent workers **must receive** equivalent benefits and employment conditions for equal work performed.
Year 3	**Dev**	**3.3.43** If the ASMO and/or employers in its System of Production provides housing for permanent, temporary or former workers, it **must be** such as to ensure structural safety and reasonable levels of decency, privacy, security and hygiene, and includes regular upkeep, improvement and modernisation of housing and related communal facilities. If sanitary facilities are shared, a reasonable

		number of toilets and showers per number of users, and according to regional practice, **must be available**. The cost for housing **must be** according to local averages. If your company provides housing, you **must compensate** workers who do not receive housing benefits otherwise. ***Guidance**:* The requirement and guidance are based on international labour standards. National or state regulation must be complied with in all cases. In order to meet workers' privacy needs, it is recommended that you as management agree with the workers on how their privacy requirements can be realised. For further details on housing, please see the ILO Helpdesk Factsheet No. 6, 2009 on workers housing.
Year 1	**Core**	**3.3.44** In the absence of social security protection systems, the miners affected by accidents, occupational disease, or disaster **must receive** solidarity help from the ASMO through economic support collected among the miners and the community as defined by the ASMO. The ASMO and its members must set up a fund and collection system to support miners who are not protected by social security systems in the event that they are affected by accidents, occupational disease.
Year 1	**Core**	**3.3.45** The ASMO **must develop** a policy to ensure that widows or widowers of a deceased registered miner do not lose rights and obligations held by the deceased in the mine and in the organization, in accordance with the deceased's capabilities and experience.
Year 3	**Dev**	**3.3.46** The ASMO **must make every effort** to ensure that all registered miners benefit from a social security scheme covering health and pension.
Year 3	**Dev**	**3.3.47** In the event of the death of a worker, reparation **must be provided** by the ASMO or the employer in its System of Production (where applicable) to the widow/widower and heirs, if where they exist.
	Occupational Health and Safety	
		Intent and scope This section intends to prevent work-related accidents by minimizing hazards in the work place. It is based on ILO Conventions 155 (Occupational Health and Safety), and 176 (Safety and Health in Mines) that establishes requirements for minimum security for all mining operations, and expects miners to comply. **The Occupational health and safety section of this Standard applies to all miners in the ASMO and workers employed by the ASMO and its members.**
Year 0	**Core**	**3.3.48** The ASMO **must ensure** that all miners in its System of Production use proper equipment for personal protection in accordance with the nature of the mine, the work to be done and the place.
Year 0	**Core**	**3.3.49** The ASMO and all employers in its System of Production **must ensure** that work processes, workplaces, machinery and equipment on the production site are as safe as reasonably practicable. On request of the certification body, the ASMO **must present** an investigation of a competent authority or independent inspection agency.
Year 0	**Core**	**3.3.50** The ASMO **must ensure** that all miners in its System of Production have access to information and basic training on health and safety in mining, its main risks and hazards, and how to prevent, prepare for and respond to emergencies.

Year 0	**Core**	**3.3.51** The ASMO **must have** a committee in place to make decisions and implement actions in health and safety in the workplace.
Year 0	**Core**	**3.3.52** The ASMO **must have** a mining map, which maps out all mining and processing operations in its scope.
Year 1	**Core**	**3.3.53** The ASMO **must have** a mining rescue plan and a first aid program depending on the kind of mining activity it develops.
Year 1	**Core**	**3.3.54** **T**he ASMO **must identify** risks in the workplace and **put** a monitoring system in place.
Year 1	**Core**	**3.3.55** The ASMO **must train** miners on health and safety risks.
Year 1	**Core**	**3.3.56** The ASMO **must offer** all persons working in the mining operations regular medical checks, and records must be established within one year of certification.
Year 3	**Dev**	**3.3.57** The ASMO **must work** with local authorities or other relevant parties towards making a gender-based diagnosis of the main risks and vulnerabilities to accidents and disasters in the community due to mining activity.
Year 3	**Dev**	**3.3.58** The ASMO **must raise awareness** in the surrounding mining community about health and safety risks.

4. Business and Development

	Intent and Scope This chapter outlines the requirements that are unique to Fairtrade and intends to lay the foundations for empowerment and development to take place. **This chapter applies to the ASMO as the certificate holder.**

4.1 Development Potential

		Intent and Scope Fairtrade should lead to the demonstrable empowerment and environmentally sustainable social and economic development of ASMO members and Production Partners and their families and workers and the local community. The intent of this section is to ensure that the direct beneficiaries of Fairtrade are members of the ASMO, their families and mining communities they live and mine in. The Fairtrade Premium is an amount paid by the buyer to the ASMO or to its miners, in addition to the payment for their products. The Fairtrade Premium is a tool for development, supporting the ASMO and the ASM community to realize their development objectives as laid down in the Development Plan of the ASMO's Premium Committee. In the context of ASMOs, it is meant for investment in the social, economic and environmentally sustainable development of the ASMO and its miners and through them, their families, workers and surrounding community.
Year 0	**Core**	**4.1.1** The ASMO **must propose** the initial composition and initial Internal Rules for the Premium Committee taking into consideration the equal representation of all social groups and mining organizations in the scope of its System of Production. ***Guidance:*** The ASMO's **Premium Committee** represents all social groups of the ASMO and its miners, and sets the priorities for the Fairtrade Development Plan

		use through a Premium Plan.
Year 0	**Core**	**4.1.2** The Internal Rules of the Premium Committee **must not discriminate** and **must define** a democratic decision-making process.
Year 1	**Core**	**4.1.3** The Internal Rules of the Premium Committee **must be discussed and approved** by a general assembly of all miners or by a delegate scheme of all miners. The ASMO must record the constitutional assembly and make an official record of the decision.
Year 1	**Core**	**4.1.4** Within one year of certification the Premium Committee, in cooperation with the ASMO, **must carry out** a needs assessment of environmentally, socially and economically sustainable development of the organization and the community how the Fairtrade Premium can help to promote this.
Year 1	**Core**	**4.1.5** The Premium Committee **must decide** on priorities of the Fairtrade Development Plan based on the evaluation of the needs assessment, and propose the Premium Plan to the ASMO for adoption. ***Guidance:*** The **Fairtrade Development Plan** is democratically approved by the Premium Committee and proposed for adoption by the ASMO. The ASMO approves and adopts the Premium Plan and assumes the legal responsibility over its implementation.
Year 1	**Core**	**4.1.6** The Development Plan **must include**: • description of the activity (what you plan to do); • objective of the activity (why you plan to do it); • timeline of the activity (by when you plan to do it); • responsibilities (who will be in charge of doing it); • and in case the activity requires funds, the budget of the activity (how much you plan to spend)
Year 1	**Core**	**4.1.7** The ASMO **must**: • **analyse** whether the Premium Plan is aligned with the needs assessment; • (if applicable) **make justified adjustments** in documented consensus with the Premium Committee; • **adopt** the Premium Plan; • and **assume the responsibility** for its implementation.
Year 1	**Core**	**4.1.8** The ASMO **must document** the results of the implementation of the Premium Plan and report to the Premium Committee every year. In the report the ASMO must address the following questions: • Were the actions carried out? Yes/no. If not, why? • When? • At what cost? • Was the objective achieved or are further actions needed?
Year 1	**Core**	**4.1.9** The ASMO **must have** an accounting system for the Premium Plan in place, in order to manage the Premium transparently.
Year 1	**Core**	**4.1.10** The ASMO **must have** a separate bank account for managing the Premium.
Year 1	**Core**	**4.1.11** The ASMO **must proactively inform** the local community and impacted stakeholders about the Fairtrade Development Plan.
4.2 Democracy, Participation and Transparency		

		Intent and Scope This section intends to ensure that the ASMO facilitates the social and economic development of its members, their families, workers, production partners and the local community, and guarantees that the benefits of Fairtrade reach them. The organization must therefore have democratic structures in place and a transparent administration, which allows members and the board to have effective control over the management of the ASMO, including the decisions about how Fairtrade benefits are shared. Members should be able to hold the board accountable for its activities. Furthermore, there must be no discrimination regarding membership and participation. In particular, there should be no gender discrimination.
Year 0	**Core**	**4.2.1** The ASMO **must have** a legal, transparent and democratic organizational structure in place, which enables effective control by the members. • a General Assembly as the highest decision making body where all major decisions are discussed and taken • equal voting rights for all members, • where the ASMO has over ten registered miners, there is an elected Board chosen in free, fair and transparent elections ***Guidance:*** Staff hired by your organization will be controlled by the Board which is in turn controlled by the General Assembly. All members **must have** voting rights in the General Assembly. This can be done through a system of elected delegates.
Year 0	**Core**	**4.2.2** The ASMO **must register and keep a record of** all miners working in its System of Production, which includes the mining area (mining rights, land rights) and all mining works (e.g. pits, processing units) that are part of it and deliver into the Fairtrade supply chain. For each registered miner, the ASMO records at least: • name; • date of birth; • legal document/identity card number; • distinguishing name of the Organization, workgroup, micro-enterprise or Small Enterprise to which he/she belongs; • start date working in the area/with the organization; • matrimonial status; • number of dependents; • reason why they are working in ASM; • reason why they have registered with the ASMO; • type of working contract, working hours/week, and salary (in cash or in kind)/week (for workers only). ***Guidance:*** The registration of individuals follows the admission principles of the Internal Regulations of the ASMO wherein admission and exclusion criteria of individuals are defined in section 4.3 on Non-discrimination below. While it is the responsibility of the ASMO and in its own interest to avoid the existence of non-registered miners, community relations often limit the potential of sanctions against persons refusing to obey the rules. The ASMO cannot be held responsible for non-registered miners who engage in mineral extraction but refuse to register and follow the ASMO if the ASMO has no legal authority. Usually this is not part of the System of Production of the ASMO. The ASMO will not accept mineral or metal from non-registered miners. Non-registered miners will not participate in Premium decisions, but the ASMO will take measures to prevent Fairtrade core principles from being violated.
Year 0	**Core**	**4.2.3** The ASMO **must have clear** and **documented** admission and exclusion rules for registration and its System of Production in place.

		Guidance: Exclusions from the ASMO's scope shall be defined based on the criterion of whether the ASMO can or cannot control and take responsibility over persons, areas and production units (processes). The ASMO shall make all reasonable efforts to minimize the need for exclusions, and the ASMO shall not exclude persons, areas and in particular production units or processes in a discriminatory way or in order to minimize the efforts to reach standard compliance of its production process. The rules should be transparent and accessible (public) for interested miners/parties.
Year 0	**Core**	**4.2.4** The ASMO **must hold** a General Assembly at least once a year.
Year 0	**Core**	**4.2.5** You **must follow** your own rules and regulations such as a constitution, by-laws and internal policies, including those for election and membership processes.
Year 0	**Core**	**4.2.6** You **must present** the annual report, budgets and accounts to the General Assembly for approval. ***Guidance:*** This requirement is common in most legal regulations for organizations of this kind.
Year 0	**Core**	**4.2.7** You **must inform** your members in good time when the General Assembly will take place.
Year 0	**Core**	**4.2.8** The ASMO **must have** an administration in place with at least one person or committee who is responsible for managing the administration and book keeping.
Year 0	**Core**	**4.2.9** You **must implement** a communications to ensure the community is informed on Fairtrade and its principles, on the activities of the ASMO, and on how the benefits of Fairtrade are distributed and used.
Year 3	**Dev**	**4.2.10** You **must provide** training to your members on internal mechanisms to facilitate their control over your administration. ***Guidance:*** This will increase members' understanding and awareness of operations enabling them to participate more actively in your administration and improve the flow of information from the Board to members about the ASMO's business and policies
Year 0	**Core**	**4.2.11** You **must keep** records and books that are accessible to all members.
Year 0	**Core**	**4.2.12** You **must have** a bank account with more than one signatory, unless it is not possible.
Year 0	**Core**	**4.2.13** Minutes of the General Assembly **must be taken** and **signed** by the president of the Board and at least one other member and **must contain** a list of participants of the General Assembly.
Year 3	**Dev**	**4.2.14** You **must take** measures to review the members' commitment to the organization.
4.3 Non Discrimination		
		Intent and scope Fairtrade International follows the Universal Declaration of Human Rights on ending discrimination. The Declaration rejects "distinction of any kind such as, race, colour, sex, language, religion, political or other opinion, national or social

		origin, property, birth or other status" (Article 2). Discrimination is making an unfair distinction in the treatment of one person over another on grounds that are not related to ability or merit. This section intends that these principles are followed including in countries, which have not formally approved the Declaration at the national level. This is a voluntary social standard aiming to support the development of its beneficiaries. The "positive discrimination" of members from disadvantaged or minority groups is therefore intended. This also includes the supportive membership criteria of women miners' organizations, indigenous miners' organizations, or similar organizations where a common characteristic determines common development goals.
Year 0	**Core**	**4.3.1** The ASMO's rules for registration (inclusions into or exclusion from the System of Production) **must not discriminate** on the basis of race, colour, gender, sexual orientation, disability, marital status, age, religion, political opinion, language, property, nationality, ethnicity or social origin unless this is consistent with its goals and objectives. You **must not discriminate** regarding participation, voting rights, the right to be elected, access to markets, access to training, technical support or any other benefit or obligation. ***Guidance:*** Where particular forms of discrimination exist within an economic sector or geographical region, you are encouraged to show progress towards removing them, addressing them in your Fairtrade Development Plan.
Year 3	**Dev**	**4.3.2** The ASMO must identify disadvantaged and minority groups within its organisation and System of production.
Year 3	**Dev**	**4.3.3**Programs related to disadvantaged/minority groups working within the ASMO **must be** in place to improve the position of those groups in the organization, particularly with respect to recruitment, training, staff and committee membership.
Year 3	**Dev**	**4.3.4** Appropriate measures **must be** taken to ensure equal representation of women in the ASMO.
Year 3	**Dev**	**4.3.5** Women miners and minority groups **must have** equal access to mineral resources and technological innovation within the organization.
4.4. Pre Finance		
		Intent and scope The lack of ready cash is often an impediment for ASMOs to ensure it can extend its chain of custody to all the certified gold that its miners produce. In consequence, gold that could be sold as Fairtrade Precious Metal can end up being sold to the traditional local markets (gold shops) because the miner needs to sell daily. In addition, local traders often play the role of financing the miners and lending money for equipment, supplies or even family emergencies. Therefore, pre-finance can play a key role in ensuring that the miner's organization can gain a level of autonomy and break away from a form of historic dependence or "economic slavery". Local and national legislation take priority where they conflict with any Fairtrade requirements on pre-finance.
Year 0	**Core**	**4.4.1** For new trading relationships, a trial period may be agreed between buyers and the ASMO. This trial period **must not exceed** two consignments.

		Guidance: During a trial period, buyers are encouraged, but not obliged, to provide pre-financing to the ASMO for each consignment.
Year 0	**Core**	**4.4.2** The ASMO **must have** a transparent mechanism for the management of pre-financing funds.
Year 0	**Core**	**4.4.3** The cost of pre-financing **must not exceed** the bank lending rate for such business in the buyers' home country, plus credit insurance costs, plus administrative cost of one per cent annually.
Year 0	**Core**	**4.4.4** The ASMO and the buyer **must document** either a separate pre-finance section within the contract or a separate credit agreement when pre-finance has been agreed.
Year 0	**Core**	**4.4.5** In the case of a filed "failed delivery report" or "nonconformity" filed by a buyer, a new trial period may be agreed which **must not exceed** four consignments between the buyer and the ASMO.
Year 0	**Core**	**4.4.6** After a successful trial period and on request of the ASMO, buyers **must provide** pre-financing to the ASMO for each consignment. ***Guidance:*** The ASMO qualifies for requesting pre-financing if its track record demonstrates that it has honoured all written Fairtrade contracts.
Year 0	**Core**	**4.4.7** Buyers **must provide** (after a successful trial period) at least forty per cent of pre-finance of the value of each consignment, unless the requested amount is lower. Requests for pre-financing **must not** exceed sixty per cent of the value of each consignment.
Year 0	**Core**	**4.4.8** Requests for pre-financing by the ASMO **must specify** the intended use of the funds. Pre-financing can only be requested for purposes in-line with the contractual obligations of the ASMO, such as producing the contractually agreed volumes (including consolidating by internally buying from registered miners).
4.5 Pricing		
		Intent and scope The intent of this section is to ensure that the considerable efforts of organizations and their members to be Fairtrade certified are appropriately rewarded through the payment of the Fairtrade Price and Premium. Fairtrade Minimum Prices are meant to protect and reduce the risks for producers in the event that market prices fall. Due to the nature of mining, determining a cost of sustainable production (COSP) is not always feasible. Therefore the Fairtrade Minimum Price (FMP) is set based on the London Bullion Market Association (LBMA) fixing for gold and silver and The London Platinum and Palladium Market (LPPM) for platinum. Fairtrade artisanal and small-scale precious metal mining is aimed at promoting socially and environmentally responsible sustainable development in artisanal mining communities. The Fairtrade Premium is as such not only intended as a "reward" for compliance with responsible mining practices, but also as a vehicle to deliver to the miners the necessary funds to make development happen. Responsible mining is a vision of artisanal mining without environmental contamination and with full ecological restoration. The Ecological Premium paid for the Ecological Precious Metal acknowledges the additional voluntary efforts from the miners' organization to produce the Fairtrade gold according to specific requirements outlined in this chapter.

Year 0	**Core**	**4.5.1** The price shall be based on the LBMA or LPPM fixing for gold, silver and platinum and **must be** at least ninety-five per cent of the LBMA/LPPM fix for the pure content, FOB export point.
Year 0	**Core**	**4.5.2** Price payments **must be made** in whole to the ASMO or to the registered miner of the ASMO who sells the certified precious metal to the buyer.
Year 0	**Core**	**4.5.3** The first price down payment (based on the least expected fine metal content before assay) **must be made** not later than the next business day after confirmed shipment. The final payment **must be made** not later than the next business day after all elements (price, assay results) have been verified by the parties.
Year 0	**Core**	**4.5.4** If the ASMO or its miners have no trade function or export permit, the ASMO **may contract** a certified third party operator (which can be a local trader) to implement and administrate all corresponding trade, export and traceability related requirements on the ASMO's behalf and under the ASMO's responsibility.
Year 0	**Core**	**4.5.5** The value of the Fairtrade Premium for Gold shall be $2000 USD per kilo weight delivered FOB. The Fairtrade Premium for Silver shall be ten per cent of the applicable LBMA fixing.
Year 0	**Core**	**4.5.6** For precious metals mined according to Fairtrade Ecological Standards, the price buyers **must pay** an Ecological Premium of fifteen per cent (15%), calculated as an additional percentage of the applicable LBMA/LPPM fixing FOB.
Year 0	**Core**	**4.5.7** If the ASMO or its miners have no trade function or export permit, the contracted trader or exporter (see 4.5.4) **may act** as pro-bono intermediary for Premium payments.
Year 0	**Core**	**4.5.8** Premium payments (Fairtrade Premium; Ecological Premium where applicable) **must be made** in full to the ASMO or to the registered miner who sells the certified precious metals to the buyer.
Year 0	**Core**	**4.5.9** Transportation and insurance costs from point of export **must be paid** by the importer (buyer), unless the ASMO (or the miner) and the importer agree on other arrangements that are not detrimental to the ASMO (or the miner).
Year 0	**Core**	**4.5.10** Fairtrade Premium payments **must be indicated** on a separate line on all invoices throughout the supply chain, to ensure greater transparency.

Annex 1 Definitions

This annex includes the current definitions of mining related terms as employed by the mining industry, the Fairtrade standard setter and the certification body.

1. **Amalgamation:** Treating gold concentrate with mercury to form amalgam which is then decomposed by burning, leaving the gold.

2. **AMD:** Acid Mine Drainage (AMD) is a natural process of oxidization of sulphide minerals and creation of SO_2 ions, caused by exposing rocks containing such minerals to air and water. AMD caused by mining can occur within the mine, in waste rock dumps or in tailing ponds.

3. **Artisanal mining:** Artisanal and Small-scale mining (ASM) refers to informal mining activities carried out using low technology or with minimal machinery. For more details see more at: http://www.miningfacts.org/

4. **ASMO:** Artisanal and Small-scale Miner's Organization.

5. **Community-based artisanal and small-scale miners:** The local population that acts as the driving force behind the mining operation and that builds their own livelihood strategy upon the mineral resources within their communal territory.

   Community in regards to the origin of the members of the ASMO is interpreted in the local context, depending on the geographical situation. This may involve either a local community in the traditional definition or (mostly long-term) temporary settlement for miners originating from surrounding communities within a wider region. The latter applies if the remote location of the mine does not offer alternative livelihood opportunities and the miners combine the income opportunity in the mine with their livelihood strategy in their home community.

   The community responsibility of the ASMO is the area where the ASMO has its mining rights, including land rights (where applicable). If there is a community within this area or within the direct surrounding area, then this is considered to be the community where the ASMO has responsibility for compliance with this Standard and is the driving force for development.

6. **Concentrate:** Intermediate product from mineral processing with a high concentration of gold. The concentrate is processed further to obtain the metallic gold.

7. **Conflict Areas:** This Standard follows the definition of the OECD Due Diligence Guidance for Mining in Conflict-affected and High-risk Areas (2012).

8. **Cyanidation:** Mineral processing technology of dissolving gold in a cyanide solution (cyanide leaching) and subsequent recovery of the gold from the solution by precipitation with zinc or through absorption with activated carbon and subsequent desorption.

9. **Domestic Processing at the ASMO level:** Domestic processing plants are micro-enterprises and part of the family economy, which may – due to their size and characteristics – not require formal public registration, operation permits or labour inspection.

   The ASMO is obliged to register all domestic processing units and the miners if they belong to the ASMO's System of Production and deliver into the Fairtrade supply chain. All registered domestic processing units are required to comply with this Standard. All people involved in activities of the domestic processing units (family members above age classified as child labour) are **Miners**. Specific attention has to be given to welfare of families and children and child protection in these units.

   The term "domestic" refers to the artisanal characteristics (in a narrower sense) of such units, not to their locations. As the term "artisanal" is already used in "ASMO" and ASMOs are required to be

formal and count on all required permits, the term "domestic" is used for such units to avoid confusion.

Domestic processing units may include, for example, small mills, amalgamation, smelting, dredges and pumps in alluvial mining operated by family members and their workers. If those plants depend structurally on contracted labour (more than twenty workers, seasonal, temporary or permanent) they must be inspected as an industrial plant which involves all legal obligations for small or medium-size enterprises of the formal economy. Due to necessary safety measures, cyanidation/leaching plants are always considered to be "industrial" - regardless of their size and number of workers they employ.

10. **Fairtrade certified precious metals:** refer to gold, silver or platinum mined, processed and traded according to this Standard.

    Throughout this document "precious metal" refers to gold, silver and platinum found in the same mining operation of the ASMO. The Production chapter refers to the raw precious metals as found in the mine, while the Trade chapter addressing processing, trading and manufacturing refers to fine precious metal as used in consumer products.

    Throughout this document "Precious Metal" refers to gold, silver and platinum from certified producers that can be used in consumer products labelled with Fairtrade International's Fairtrade Mark.
    - All precious metal is certifiable as Fairtrade precious metal that originates from System of Production of a certified ASMO;
    - has been produced by the ASMO or its registered miners;
    - is fully traceable through the ASMO's Internal Control System;
    - can be traded through the ASMO or one of its registered miners.

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11. **Fairtrade Gold, Silver and Platinum** refers to the pure chemical element "gold" (Au), "silver" (Ag) "platinum" (Pt) contained in the mineral or in form of different alloys and different purity in metals.

    All gold-bearing mineral is characterized by its grade (usually expressed as grams or troy ounces per ton or cubic meter), and all alloys are characterized by their fineness (usually expressed in parts of 1000 or as caratage in parts of 24). The globally accepted purity standard of the London Bullion Market Exchange (LBMA) and of the London Platinum and Palladium Market (LPPM), respectively, are used. According to the LBMA Standard, the minimum acceptable fineness is 995.0 parts per thousand fine gold, for silver 999.0 and for platinum 999.5 parts per thousand, with fineness determined to four significant digits.

12. **Fairtrade Ecological Gold, Silver and Platinum** refer to gold, silver and platinum that have been produced by the miners' organization in compliance with the requirements for ecological (chemical-free) precious metal extraction in section 3.2.

    Internal Control System (ICS): The ASMO has an Internal Control System that covers all volume and sales into the Fairtrade supply chain, and assures traceability. The purpose of the ICS is to monitor the origin of mineral and gold and the principal tool to prevent the following from entering the Fairtrade supply chain:
    - non-registered miners or processors which are not part of the ASMO's System of Production;
    - registered miners from mineral or tailings extracted outside of the ASMO's System of Production, and;
    - registered processing units from mineral or tailings from outside of the ASMO's System of Production.

13. **Members, shareholder or owner of the ASMO:** An ASMO can have different forms of ownership, the majority of which are artisanal and small-scale miners. Shares of the ASMO cannot be held by Industrial Mining companies.

14. **Miner:** The term "miner" refers to any person working in the scope or for the System of Production of the ASMO. They can be owners, self-employed people, workers, mineral extractors, processors, selectors, etc.

15. **Mineral (s):** All rock or gravel material extracted from the mine. According to its economic value, mineral is classified as ore and waste rock.

16. **Mineral processing:** Technical process to separate ore into gold or gold concentrate and tailings.

17. **Mineral selectors:** Mineral selectors are primarily women and usually work on the surface of the mining area, selling free coarse gold in small amounts or process minerals domestically (e.g. through milling and amalgamation). In some cases they deliver selected minerals to the organization's plant or registered miners of the ASMO. Sales are usually done locally. There are a) organized mineral selectors who operate in the area of the ASMO or b) those who are a part of the surrounding mining community which is not directly part of the System of Production of the ASMO.

18. **Mining area:** In legal terms, the area in which the owner of the mining right can mine the subsoil.

19. **Mining right:** The right of a legal or natural person to extract minerals within a mining area, see above.

    Most legislation distinguishes between land rights and sub-surface rights (mining rights, concessions, leases). ASM is treated in widely variable ways under individual legal frameworks of different countries, and frequently mining concessions or mining leases are only granted to industrial mining. Therefore this Standard uses the term "mining right" in its generic sense, as any public or private legal right or authorization to extract minerals within a certain area and obtaining ownership of the extracted minerals or their content.

20. **Newcomer ASM:** Newcomer ASM is rush mining in a 'virgin' place where ASM has not previously taken place, or has not occurred for over a decade. It is often characterized by seemingly chaotic situations with high influx of migrant labourers. Social and physical infrastructure is inadequate to cope with the population boom, and impacts on communities and the environment may be severe with a culture of violence commonly being the means by which people secure access to the resource and discipline transgressions of site rules. However, newcomer ASM can transform into settled, community-based mining. Newcomer ASM is out of the scope of Fairtrade certification.

21. **Ore:** Mineral (rock or gravel) which contains metal at an economic concentration (grade) and that is therefore suitable to be processed.

22. **Production partner:** An organization or commercial entity that an ASMO may partner with in the production or processing of their certified metals, e.g. a cyanidation plant, or ore crushers.

23. **Registered miner:** All miners within the System of Production of the ASMO are to be registered. Only registered miners are allowed to deliver into the Fairtrade supply chain. The ASMO is responsible for compliance with all Standard requirements that apply to registered miners.

    An operator who processes is also considered a "miner". As all processing units are to be registered for the System of Production and Internal Control System, its operators are also registered miners.

    The term "non-registered miner" is used in this Standard to describe people involved in mining in the ASMO's mining area without consent of the ASMO.

24. **Registration, registered by the organization and Mining Plan:** The ASMO registers all miners that are part of its System of Production and are allowed by the ASMO to extract and/or process mineral from the ASMO's mining area. The ASMO also has a Mining Plan identifying all areas where miners are operating. The ASMO registers all miners and units of production (family group, small business, etc.) that have decided to initiate the process of certification. The ASMO registers all minerals produced by its System of Production. The ASMO registers all Domestic Processing Units that belong to miners already certified in the ASMO's system of Production, as well as those of miners that have decided to initiate the process of certification.

25. **Rehabilitation:** Land restoration as close as possible to the conditions that existed before ASM started or suitable for intended post-mining use of the land.

26. **Rush ASM:** Rush ASM occurs when there is mass migration to gold rich areas or a recently discovered deposit, based on the perception of attractive income opportunities that exceed people's current actual income. Rush mining may occur at places where more permanent (either full-time or seasonal ASM) already occurs, or at 'virgin' places where no ASM has taken place before. In the case of the latter, it is called Newcomer ASM (see above). It is not uncommon for former rush areas to become new communities and rush miners to settle in the area. Rush ASM is out of scope for Fairtrade certification when it is Newcomer Mining.

27. **System of Production:** The ASMO defines its scope prior to Fairtrade certification through the description of its System of Production and Registration of areas, processes and miners. The System of Production is an exclusion/inclusion scheme. Some elements must be part of it (where the ASMO or its miners have land rights and/or mining rights, and own industrial or domestic processing plants). Others can be included and excluded.

28. **Tailings:** Intermediate or final product from mineral processing with a low concentration of metal. Tailings are deposited at tailings dumps or in tailings ponds. In some cases tailings can be reprocessed to recover remaining metal. If so, tailings are then subject to traceability, registration, and scoping of the System of Production.

29. **Waste rock:** Mineral which does not contain gold or contains uneconomic gold grades, and is therefore permanently or temporarily disposed of.

30. **Women Mineral Selectors:** Women who may have specific denominations, such as in Peru: Pallaqueras, Bolivia: Pailiris, Ecuador: Jancheras, etc that select minerals from the waste rock (see above under Mineral Selectors). In some cases these groups may also include male mineral selectors, such as retired or disabled persons. They can be:

    a) registered if they are part of the System of Production of the ASMO or;
    b) part of the surrounding mining community where the ASMO has certain responsibilities.

    In case a) they must be part of the Premium Committee. In case b) they can be part of the Premium Committee. In any case, the ASMO assume responsibilities over the women mineral selectors through gender promotion and monitoring of wellbeing of families and children (see above).

31. **Workers:** The term "workers" refers to all waged employees of the ASMO, and of registered miners or their organizations – including processing units. It includes migrant, temporary, casual, seasonal, sub-contracted and permanent workers.

32. **Workgroup:** A group of registered miners who work together in the same location within the mine. A workgroup may be:
    - a micro enterprise, family unit, small enterprise or other types of organization;
    - owner, holder or members of the ASMO working as a team (with or without additional
    - workers);
    - ASMO owner/member working with his or her workers;
    - ASMO owner/member working with his or her family.

Annex 2 Principles for Responsible ASM

*(*Source: The Golden Vein: A Guide to Responsible Artisanal and Small-scale Mining. ARM Series on Responsible ASM, 2008)

1. The Millennium Development Goals and Declaration on Sustainable Development

We declare our commitment to the Millennium Development Goals and the Johannesburg Declaration on Sustainable Development and to the following specific principles for Responsible Artisanal and Small-scale Mining:

2. Legality

Responsible Artisanal and Small-scale Mining (ASM) complies with the national legal frameworks. Where national legislation does not recognize the legal rights of community-based artisanal and small-scale miners, despite their legitimate efforts towards legalization, we will, as far as possible, work with organized ASM and national governments, to lobby for improved public policies for responsible ASM organizations interested in committing to the principles. The Standard will not support organizations involved with armed conflict in any way, including financing conflict or the use of revenue to engage in activities that facilitate the purchasing of arms.

3. Human Rights

Responsible ASM is based on the Universal Declaration of Human Rights and on UN declarations regarding the cultural, social and economic rights of individuals. The rights of artisanal and small-scale miners must be respected, and their violation, denounced. Responsible community-based artisanal and small-scale miners organizations respect the human rights, as well as the social, economic, cultural, and labour rights of every person involved and of the local community, as fundamental principles. The rights of women, disadvantaged groups and individuals, including migrant workers, are specifically included.

4. Decent Work

Responsible ASM is decent work in line with the ILO Conventions. Work in Responsible Artisanal and Small-scale Mining is performed in conditions of freedom, equality, safety, and human dignity, free from child labour, allowing the access of small-scale minerals producers, workers and their families to a decent standard of living.

5. Quality of Life and Sustainable Human Development for ASM communities

Responsible ASM contributes to the sustainable human development of their communities. Responsible Artisanal and Small-scale Mining improves the quality of life of men and women miners, their families, and the community that hosts ASM endeavours, respecting the conceptions and priorities of each community.

6. Environmental Stewardship

Responsible ASM actively encourages better preventive and restorative environmental practices and the application of responsible methods of production. Responsible miners abide by the environmental laws in their countries, contribute to environmental protection, human health and ecological restoration in its operations and communities, and mitigate negative impacts. Respecting protected areas, avoiding damaging important biodiversity, minimizing the ecological footprint of mining, and where possible, restoring or replacing biodiversity, and where this is not possible, compensating for that residual loss, are principles for environmental protection.

7. Gender Equality

Women's work is properly valued and rewarded. In the organizations and initiatives of responsible ASM, equality should exist among men and women in all rights, including access to resources, the use of earnings, and participation and impact on decision-making processes. Women are always paid for their contribution to the production process and are empowered in their organizations. The miners' organization ensures equal pay for equal labour regardless of the labourer's gender. In organizations, processes and activities where there is marginalization of women, measures and actions shall be taken in order to improve equality.

8. Multicultural Nature

Artisanal and Small-scale Mining often develops in contexts of ethnic and cultural diversity. Where indigenous peoples or other ethnic groups are owners of the territory and are different from the miners themselves, responsible ASM organizations will undertake consultations based on the spirit of ILO Convention 169, with respect for local cultural practices in order to reach agreements with the local traditional authority and community, with regards to the impacts and benefits of mining operations and trading in that indigenous or ethnic territory.

9. Armed Conflicts

The Standard strengthens the rights and activities of artisanal and small-scale miners who work under the difficult and dangerous conditions of internal armed conflicts. In order to improve the working and living conditions of small-scale miners, their families and communities in conflict zones, the Standard is based on the spirit of International Humanitarian Law which tries to widen the range of activities of civilians in the situation of an internal armed conflict, and to delimitate the action of the armed parties. Community-based Artisanal and Small-scale Mining Organizations strengthen the possibilities of small-scale miners as a vulnerable social group, so that they cannot be extorted or forced into collaboration with armed groups or armed individuals (e.g. financial contributions, delivering of information etc.)

(See also definitions of the OECD Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.)

Annex 3 Geographical Scope

Geographical Scope policy of Producer Certification for Fairtrade International

Fairtrade International Standards are applicable to producers in the following countries:

AFRICA				
Eastern Africa Burundi Comoros Djibouti Eritrea Ethiopia Kenya Madagascar Malawi Mauritius Mayotte Mozambique Rwanda Seychelles Somalia Uganda United Republic of Tanzania Zambia Zimbabwe	***Middle Africa*** Angola Cameroon Central African Republic Chad Congo Congo, Democratic Republic Equatorial Guinea Gabon Sao Tome and Principe	***Northern Africa*** Algeria Egypt Libyan Arab Jamahiriya Morocco Sudan Tunisia	***Southern Africa*** Botswana Lesotho Namibia South Africa Swaziland	***Western Africa*** Benin Burkina Faso Cape Verde Cote d'Ivoire Gambia Ghana Guinea Guinea-Bissau Liberia Mali Mauritania Niger Nigeria Saint Helena Senegal Sierra Leone Togo

AMERICAS (Latin America and the Caribbean)		
Caribbean Anguilla Antigua and Barbuda Barbados Cuba Dominica Dominican Republic Grenada Haiti Jamaica Montserrat Saint Lucia Saint Kitts and Nevis Saint Vincent and the Grenadines Trinidad and Tobago Turks and Caicos Islands	***Central America*** Belize Costa Rica El Salvador Guatemala Honduras Mexico Nicaragua Panama	***South America*** Argentina Bolivia Brazil Chile Colombia Ecuador Guyana Paraguay Peru Suriname Uruguay Venezuela (Bolivarian Republic of)

ASIA				
Central Asia Kazakhstan Kyrgyzstan Tajikistan Turkmenistan Uzbekistan	***Eastern Asia*** China* Democratic People's Republic of Korea Mongolia	***Southern Asia*** Afghanistan Bangladesh Bhutan India Iran, Islamic Republic of Maldives Nepal Pakistan Sri Lanka	***South-Eastern Asia*** Cambodia Indonesia Lao People's Democratic Republic Malaysia Myanmar Philippines Thailand Timor-Leste Viet Nam	***Western Asia*** Armenia Azerbaijan Georgia Iraq Jordan Lebanon Occupied Palestinian Territory Oman Saudi Arabia Syrian Arab Republic Yemen

OCEANIA		
Melanesia Fiji Papua New Guinea Solomon Islands Vanuatu	***Micronesia*** Kiribati Marshall Islands Micronesia, Federated States of Nauru Palau	***Polynesia*** Cook Islands Niue Samoa Tonga Tuvalu Tokelau Wallis and Futuna Islands

* The scope of Fairtrade certification in China is limited to the certification against the Fairtrade Standard for Small Producers' Organizations and the Fairtrade Trade Standard (with the exception of Seed Cotton). The Fairtrade Standard for Hired Labour, the Fairtrade Standard for Contract Production and the Product Specific Fairtrade Trade Standard for Seed Cotton are not applicable in China.

Definition of Fairtrade International's geographical scope

Fairtrade International defines the countries in which it certifies producers as those countries with low and medium development status. The definition is based on the OECD-DAC (Development Assistance Committee) list of recipient countries of Official Development Assistance. The list includes countries with low and middle per capita income as defined by the World Bank[2].

Fairtrade International's geographical scope encompasses almost all countries in Africa, Latin America and the Caribbean, Oceania, and the poorest countries in Asia. Countries and territories are divided into regions based on the UN classification of macro geographical regions.

Excluded from Fairtrade International's geographical scope are European Countries (including Eastern European countries and Turkey[3]) and all G8-countries (thus Russian Federation as an upper-middle income economy).

Fairtrade International's geographical scope is reviewed following the Standards Unit Standard Operating Procedures which determine a 5 years routine review cycle and provide for more frequent reviews in case of need. A review of the OECD DAC list may trigger an earlier review.

[2] The World Bank classifies member countries and all other economies with populations of more than 30,000 according to the gross national income (GNI) per capita. Economies are divided using the World Bank **Atlas method**. The low and middle income groups are: **low income**, $875 or less; lower middle income, $876 - $3,465; **upper middle income**, $3,466 - $10,725.

[3] Turkey is considered as West Asia according to the UN classification, but is official candidate for membership to the European Union.

Limitations to scope for ASM

There are six Red Flag limitations to scope specific to Fairtrade gold and associated precious metals which trigger an investigation by FAIRTRADE International. A Red Flag alert can be submitted in writing to FAIRTRADE International by a stakeholder, or designated by FAIRTRADE International in the absence of a stakeholder submission.

Red Flags are raised where the ASMO is operating in:

a. areas where conflict between the agricultural activity and ASM activity occurs;

b. areas where conflict between large-scale mining and ASM occurs;

c. areas where conflict between indigenous peoples and ASM occurs;

d. areas protected for environmental or archaeological reasons (protected areas). This exclusion refers to all areas protected under national legislation where mining is not allowed, including its buffer zones;

e. areas of armed conflict. This exclusion refers to all areas where there is a risk of ASM and commercial activities related to it, contributing to conflict and human rights abuses.

f. Areas identified as critical ecosystems which do not have protected status, but have high conservation value. This exclusion refers to all areas identified by conservation organizations or other stakeholders as critical for the resilience of threatened ecosystems and endangered species, and where there is a risk that the ASM and related subsistence activities will have irreversible and deleterious impacts upon these.

In the cases of a – c, such areas will be identified by FAIRTRADE International according to the "Explanatory Document and Procedure for the determination of Areas Temporarily Excluded (ATE)". ASMOs can receive an exception and apply for certification only if they can demonstrate to an independent party that no conflict exists between their organization and the specified party (e.g. surrounding agricultural sector or operator, large-scale mining sector or operator, indigenous peoples).

In the case of protected areas, ASMOs can request an exception and apply for certification if they can demonstrate that they have been working in the area for more than five years under the supervision of a competent environmental authority and if they have mining rights and environmental permits approved.

In the case of critical ecosystems, ASMOs can request an exception and apply for certification if they can demonstrate that the identified deleterious and irreversible impacts can be and are being mitigated to the satisfaction of an independent party.

In the case of armed conflict, the ASMO and its miners can receive an exception and apply for certification only if they can demonstrate to an independent party that the ASMO and its miners are not benefiting from armed groups, are not obstructed by armed groups or the economic powers behind them (for example industrial mining or organized crime) and are not victimizers (which refers mainly to generating the physical displacement of local people).

The request for exclusion of specific areas for certification of ASM must specify the exact areas and the reasons for exclusions. Identification of critical ecosystems and conflict areas must be specific and should, where possible, not cover entire provinces or countries.

In the case of exceptions of areas of conflict with agricultural, industrial mining, and indigenous peoples stakeholders, applicants need to provide positive endorsement by an independent body to the certification body which will be the ultimate authority to decide if certification is granted. Audits need to include verification.

Exceptions which permit certification of ASMOs and their miners operating in Environmentally Protected Areas are intended to:

a. protect the livelihoods of indigenous communities living in such areas and for whom gold panning is a traditional livelihood, and/or;

b. provide fair treatment of cases where ASMOs were working in areas which were later declared as protected. The threshold period of having operated more than five years in such areas assures that no newcomer ASM activity in such areas can gain certification, but allows for FAIRTRADE metal to be an

incentive and enabler for responsible mining practices in areas of high conservation value. The requirement of valid mining rights and environmental permits assures that the exception is aligned with national legal interpretation. Audits need to include verification.

Exceptions from conflict areas recognizes that in conflict and post-conflict areas, ASM can be part of the peace-building solution as ASM is often a preferred livelihood of choice for former combatants, and is also an important part of conflict-resilient livelihoods for conflict-affected people.